

# MINUTES

**Seattle City Employees' Retirement System  
Regular Board Meeting**

**Wednesday, August 5, 2009 – 9:00 a.m.  
Pacific Building, 10<sup>th</sup> Floor**

**Present:** Mary Norris, Lou Walter, Rod Rich, and Mark McDermott

**Absent:** Jean Godden, Dwight Dively, Frank Mathews

**Also Present:** Walt North (ARSCE); Barbara Graham (ARSCE); Robert Sugden (ARSCE); Gwen Jensen (ARSCE); Ken Yeager (Retiree); Jennifer Sorensen (Milliman); Nick Collier (Milliman); William Song (Song Mondress); Cecelia M. Carter (SCERS)

**Acting Chairperson, Lou Walter, called the meeting to order at 9:10 a.m.**

**Public Comment:** *there being none.*

**Minutes:**

**Motion:** Upon motion by Rod Rich, seconded by Mark McDermott, the Retirement Board approved the minutes, with two minor corrections from the July 1, 2009 Retirement Board meeting. Corrections were: Mark McDermott was not present at the July meeting and Mary Norris opposed not having an election for the unopposed Board seat.

**Ratification of Retired Payroll, Office Payroll, Other Payments and Withdrawals:**

**Information:** The following items represent normal expenses and nothing extraordinary.

Service	\$ 7,973,087.16
Beneficiary	\$ 886,648.62
Disability	\$ 72,159.95
<b>Pension Payroll – PPE July 31, 2009</b>	<b>\$ 8,942,212.47</b>
<b>Office Payroll – PPE June 9<sup>th</sup> &amp; 23<sup>rd</sup>, 2009</b>	<b>\$ 48,231.81</b>
<b>Vouchers Processed – June 30, 2009</b>	<b>\$ 127,497.41*</b>
* \$63,178.73 Expert and Consultant Services	

**Immediate Withdrawals of Contributions for the month of July 2009:**

<i>Member</i>	<i>Department Name</i>	<i>Position</i>
Estus, Lacey L	Seattle Center	Events Services Rep. Sr
Fayerberg, Mark	Police	Crossing Guard
Marquez, Jose J	Legislative	Research and Evaluation Assistant
White, Ryan Christopher	City Light	Line Worker
Bush, Katherine A	SDOT	Sr. Personnel Specialist
Perrantes, Yvette	SDOT	Utility laborer
Ripoyla, Exequiel C	Police	Adult Crossing Guard
Garcia, Juan Alberto	Library	Janitor

**8 Withdrawals for a total of: \$ 56,824.43**

**Motion:** Upon motion by Mark McDermott, seconded by Mary Norris, the Retirement Board ratified the Retiree Payroll, Office Payroll, other Payments and Withdrawals.

### Ratification of Service Retirements:

**Information:** The following list represents the retirements that have been processed since the last Retirement Board meeting.

<i>Retiree</i>	<i>Retire Date</i>	<i>Days Service</i>	<i>Department Name</i>	<i>Position</i>	<i>Age</i>
Aquino, Russell E	07/08/09	29	SDOT	Cement Finisher	64
Bicknell, Cealda M	07/08/09	20	Neighborhoods	Customer Service Rep	62
Botzheim, Wilhelm M	07/02/09	15	City Light	Hydro Maint Wkr I (Boundary)	66
<b>Bradley, Houston O</b>	<b>07/08/09</b>	<b>34</b>	<b>SPU</b>	<b>Painter</b>	<b>59</b>
Brock, Patricia E	07/02/09	28	Library	Admin Sec. to Director	63
Bruker, Robert E	07/01/09	11	DCLU	Vested	66
Clapp, Sally A	07/08/09	35	City Light	Material Supplier	59
Collins, Peter S	07/02/09	30	City Light	Power Dispatcher	61
Dare, Margret Lynn Hoth	06/15/09	10	City Light	Vested	57
<b>Delovino, Jemima O</b>	<b>07/08/09</b>	<b>30</b>	<b>City Light</b>	<b>Accounting Tech III</b>	<b>66</b>
Engler, Wendy C	07/06/09	12	Parks	Vested	58
Girdis, Carol Ann	07/02/09	23	City Light	Power House CC	57
Hong-Willard, Mei Fu	06/13/09	25	DEA	ACO 1	54
Hutchison, Shirley N	06/06/09	22	K.C. Health	Program Project Manager	61
Johnson, Kent David	07/08/09	10	DPD	Building Inspector, Sr	66
Lovelace, Judith A	07/11/09	13	TES-Personnel	Vested	57
Renee, Kathy	06/21/09	17	SPU	Vested	57
Roberts, Robert D	07/07/09	34	SDOT	Signal Maint./Benefit Program	58
Sheck, Marilyn Ann	07/08/09	9	Library	Executive II	63
Skoglund, Linnea Elaine	06/10/09	22	SDOT	Senior Bridge Operator	58
Sutton-Fuller, Rebecca Veronica	06/24/09	33	Library	Coordinating Library Assoc	54

**Motion:** Upon motion by Rod Rich, seconded by Mark McDermott, the Retirement Board approved and ratified the service retirements listed above, pending final review.

For the month of July: 15 new members entered the System, 21 retired from the System, 1 retirement continuation due to death of retiree, 3 retirement adjustments due to social security payments beginning and 23 others terminated City employment.

### Ratification of Investment Transactions and Statement of Securities and Cash:

**Information:** Provided in the Retirement Board packet is the Investment Summary reports that represents the transaction summary and the market value of the investments as of June 30, 2009. (*Attachment #2*)

**Motion:** Upon motion by Rod Rich, seconded by Mark McDermott, the Retirement Board accepts the Investment Summary report.

## Investment Committee Report:

- Investment Committee met Thursday, July 30, 2009 in the Retirement Office.
- The portfolio showed overall returns of 65 bpts for the month of July and 3.45% year to date as of July 31<sup>st</sup>.
- Ms. Carter explained to the Board the new format to indicate the date of the last statement used for assets of the alternative class (where client statements lag by several months).
- Ms. Carter gave a review of the July 10<sup>th</sup> due diligence visit to MKA Capital in Newport Beach, CA.

## Executive Director Report:

The Board received an update on filling the two open staff positions: (1) Investment personnel; and (2) Manager 3 Accounting personnel.

## Old Business:

### (1) Status of Benefit Enhancements

**Information:** The estimated current funding level of the Retirement Fund is: 61.48% as of June 30, 2009

The above amount is an estimate calculated each month by the Retirement Office staff. As provided by Ordinance 120685, changes to the Floor COLA will occur once the funding level has reached at least 100% and has been confirmed by the Board after commissioning an actuarial valuation.

- Bill Song, Esq. gave the Board an update on research requested by the Board regarding Class Action Lawsuits.

## New Business:

- Report from Moss Adams, auditor – YE 2008  
Did not attend.<sup>1</sup>
- Report from Milliman, actuary – Mortality Study of Retirees (January 1, 2005 – December 31, 2008)

**Motion:** Upon motion by Rod Rich, seconded by Mary Norris, the Retirement Board voted to accept the Mortality Study for the period of January 1, 2005 – December 31, 2008 as presented to the Board by Milliman.

## Executive Session

### The Board reserves the right to enter into executive session if necessary.

Upon motion by Mark McDermott, seconded by Rod Rich, the Board went into Executive Session at 10:30 a.m.

Upon motion by Rod Rich, seconded by Mary Norris, the Board came out of Executive Session at 11:19 a.m.

**Motion:** Upon motion by Mark McDermott, seconded by Rod Rich, the Retirement Board proposed staff and legal to review current due diligence protocol and further to make

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<sup>1</sup> Considered July Board meeting update as exit update to the Board.

recommendations to enhance investment due diligence before manager or investment is brought to the Board for approval.

**Adjournment:**

**Motion:** Upon motion by Rod Rich, seconded by Mark McDermott, the Retirement Board voted to adjourn the meeting at 11:20 a.m.

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Mark McDermott, Secretary